

Second Amendment to the Contract

This Second Amendment to the Contract for Iowa Medicaid Enterprise Services (the "Contract") between the State of Iowa, Department of Human Services (the "Agency" or "DHS") and Health Management Systems, Inc. (the "Contractor") is made pursuant to Section 22.5 of the Contract. This Amendment is effective as of February 1, 2014, and will remain coterminous with the Contract. The Amendment modifies, to the extent specified below, the terms and conditions of the Contract:

Section 1: Amendment to Contract Language

The Contract is amended as follows:

Revision 1. Section 6.6.6 of the RFP, IowaCare Premium Payments, is deleted and replaced as follows:

6.6.6 MEPD Premium Payments

The Medicaid for Employed People with Disabilities (MEPD) program is available to people who are disabled and have earnings from employment. Some MEPD members are required to pay monthly premiums depending on their income level as a percent of poverty. This contractor is responsible for processing the MEPD premium payments.

6.6.6.1 State Responsibilities

- a. Initiate and interpret all policy and make administrative decisions regarding the MEPD program.
- b. Notify the contractor regarding changes to the MEPD premium payment processing procedures.

6.6.6.2 Contractor Responsibilities

- a. Post all unprocessed batch payments received from MEPD lockbox to the system designed to record MEPD premium information. The Department has established an automated bar coding system that electronically captures the required information. Most premium payment transactions are received from the bank electronically. For those that are not, the posting function will be a manual process.
- b. Request assistance from MEPD program manager for any MEPD payment for which the MEPD account cannot be determined.
- c. Notify MEPD program manager of items that are returned by a financial institution because of non-payment.
- d. Send any client correspondence sent to MEPD lockbox to the MEPD program manager for processing.
- e. Assist department with researching and viewing online lockbox transmittal information as needed.

6.6.6.3 Performance Standards

- a. For premium payment checks that are received manually, post the checks to the system designed to record MEPD premium information within one business day of receipt from the bank.

Revision 2. Section 7.1, Payment Terms and Compensation, paragraph four, is modified to read as follows:

The prices for the three (3) Renewal Option Years are 8.5% contingency fee for estate recoveries plus:

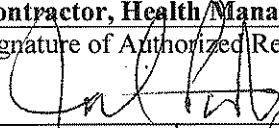
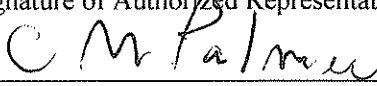
SFY 2014	\$ 2,904,355.64
SFY 2015	\$ 2,954,786.19
SFY 2016	\$ 3,058,203.86

Section 2: Ratification & Authorization

Except as expressly amended and supplemented herein, the Contract shall remain in full force and effect, and the parties hereby ratify and confirm the terms and conditions thereof. Each party to this Amendment represents and warrants to the other that it has the right, power, and authority to enter into and perform its obligations under this Amendment, and it has taken all requisite actions (corporate, statutory, or otherwise) to approve execution, delivery and performance of this Amendment, and this Amendment constitutes a legal, valid and binding obligation upon itself in accordance with its terms.

Section 3: Execution

IN WITNESS WHEREOF, in consideration of the mutual covenants set forth above and for other good and valuable consideration, the receipt, adequacy and legal sufficiency of which are hereby acknowledged, the parties have entered into the above Amendment and have caused their duly authorized representatives to execute this Amendment.

Contractor, Health Management Systems, Inc	Agency, Iowa Department of Human Services
Signature of Authorized Representative: 	Signature of Authorized Representative: 
Printed Name: Joel Yortice	Printed Name: Charles M. Palmer
Title: President, Government Division of Corporate Development	Title: Director
Date: St. Louis, MO 2/12/14	Date: 2-27-14